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Item 125 of the preliminary list*
Scale of assessments for the apportionment of the expenses of the United Nations

Multi-year payment plans

Report of the Secretary-General

Summary

In its resolution 57/4 B, the General Assembly endorsed the conclusions and recommendations of the Committee on Contributions concerning multi-year payment plans, and, in its resolutions 58/1 B, 59/1 B, 60/237 and 61/237, it reaffirmed that endorsement. In that connection, the Committee recommended that the Secretary-General be requested to provide information on the submission of such plans to the Assembly, through the Committee on Contributions. It also recommended that the Secretary-General be requested to submit an annual report to the Assembly, through the Committee on Contributions, on the status of the payment plans of Member States as at 31 December each year. The present report is submitted in compliance with those requests and provides information on payment plans/schedules submitted earlier by Liberia, Sao Tome and Principe and Tajikistan and on the status of implementation of those plans as at 31 December 2007.

The General Assembly may wish to take note of the present report and encourage Member States with significant arrears in contributions to consider submitting a multi-year payment plan.

* A/63/50.

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I. Introduction

1. In its resolution 56/243 A, the General Assembly, inter alia, recognized that multi-year payment plans, subject to careful formulation, could be helpful in allowing Member States to demonstrate their commitment under Article 19 of the Charter of the United Nations to pay their arrears, thereby facilitating the consideration of applications for exemption by the Committee on Contributions, and requested the Secretary-General to propose guidelines for such multi-year payment plans through the Committee on Contributions.

2. After considering the report of the Secretary-General on multi-year payment plans[1] at its sixty-second session, in 2002,[2] the Committee on Contributions agreed that Member States should be encouraged to submit such plans, which constitute a useful tool for reducing their unpaid assessed contributions and a way for them to demonstrate their commitment to meeting their financial obligations to the United Nations. The Committee recognized in that regard that due consideration should be given to the economic position of Member States, as not all of them might be in a position to submit such plans, and recommended that multi-year payment plans should remain voluntary and should not be automatically linked to other measures.

3. The Committee also recommended that Member States considering a multi-year payment plan submit such plans to the Secretary-General for the information of other Member States and be encouraged to consult the Secretariat for advice in their preparation. In that context, it was suggested that the plans of Member States:

(a) Provide for annual payment of current-year assessments and a part of their arrears;

(b) Where possible, generally provide for the elimination of arrears within a period of up to six years.

4. The Committee further recommended that the Secretary-General be requested to provide information on the submission of payment plans to the General Assembly, through the Committee, and that the Secretary-General also be requested to submit an annual report to the Assembly, through the Committee, on the status of such plans as at 31 December each year.

5. The Committee also recommended that, for those Member States that are in a position to submit a payment plan, the Committee and the General Assembly take the submission of a plan and its status of implementation into account as one factor when they consider requests for exemption under Article 19 of the Charter.

6. In paragraph 1 of its resolution 57/4 B, the General Assembly endorsed the above conclusions and recommendations contained in the report of the Committee.[2] In its resolutions 58/1 B, 59/1 B, 60/237 and 61/237, the Assembly reaffirmed paragraph 1 of resolution 57/4 B. The first annual report of the Secretary-General on multi-year payment plans[3] was considered by the Assembly at its fifty-eighth

[1] A/57/65.

[2] See *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 11* (A/57/11), chap. IV.A, paras. 17-23.

[3] A/58/63.

session, the second annual report[4] at its fifty-ninth session, the third annual report[5] at its sixtieth session and the fourth annual report at its sixty-first session.[6] By its decision 62/545, the General Assembly decided to defer consideration of the fifth annual report[7] until its sixty-third session.

II. Submission of multi-year payment plans

7. Payment plans or schedules were submitted by Liberia in 2006 (its second), Georgia in 2003 (its fourth), Iraq in 2005 (its first), the Niger in 2004 (its first), Moldova in 2001 (its third), Sao Tome and Principe in 2002 (its first) and Tajikistan in 2000 (its first). As noted in the report of the Committee at its sixty-seventh session, both Georgia and the Niger had fully paid their arrears during the first half of 2007, thereby resulting in full implementation of their plans in advance of the deadline dates specified in the fifth annual report. The schedule last proposed by the Government of Moldova, as outlined in the fourth annual report, was fully implemented in 2005. A lump-sum payment by Iraq in 2005 also resulted in full implementation of its plan in advance of the deadline dates specified in the fourth annual report.

8. In the announcement concerning the sixty-eighth session of the Committee on Contributions, to be included in the *Journal of the United Nations* from 10 March to 27 May 2008, the Secretariat has invited Member States considering the submission of a multi-year payment plan to contact the Secretariat for further information. In addition, in the note issued pursuant to paragraph 3 of General Assembly resolution 60/237 concerning the application of Article 19 of the Charter, attention was also drawn to the provisions of resolution 57/4 B. Should any other payment plans be submitted, related information will be provided in an addendum to the present report or in the report of the Committee to be submitted to the Assembly at its sixty-third session.

9. The plans submitted by Sao Tome and Principe and Tajikistan had durations of 8 and 11 years, respectively. For the purposes of the present report, payments are taken to include cash payments by the Member States concerned, together with the application of any credits to their accounts arising during the period concerned. Related information is provided below.

Liberia

10. In a letter dated 12 July 2005, the National Transitional Government of Liberia submitted a payment schedule by which it proposed to make a contribution in the amount of $50,000 every two months, beginning in October 2005. In a letter dated 19 May 2006, the Government of Liberia submitted a revised payment plan taking into account the current level of national revenues and priorities. The new plan called for quarterly payments starting in June 2006. The payment schedules are as follows:

[4] A/59/67.
[5] A/60/66.
[6] A/61/68.
[7] A/62/70.

(United States dollars)

	Schedule proposed in	
	2005	*2006*
2005	100 000	—
2006	[a]	150 000
2007	[a]	[b]

[a] Payment of $50,000 every two months beginning in October 2005.
[b] Payment proposals to be submitted annually.

11. In the letter transmitting the payment plan of 19 May 2006, the Chargé d'affaires a.i. of the Permanent Mission of Liberia to the United Nations had indicated that the Permanent Mission would submit a revised payment plan for 2007 in January 2007. At its sixty-seventh session, a representative of Liberia informed the Committee that a revised multi-year payment plan would be submitted beginning in July 2007. However, as at the date of the writing of the present report, the revised plan has not yet been submitted.

Sao Tome and Principe

12. Under cover of his letter of 17 May 2002 addressed to the President of the General Assembly, the Chargé d'affaires a.i. of Sao Tome and Principe to the United Nations submitted the calendar of future payments as follows:

(United States dollars)

	Payment
2002	27 237
2003	42 237
2004	59 237
2005	74 237
2006	89 237
2007	114 237
2008	134 237
2009	153 752

13. If fully implemented, the schedule proposed by the Government of Sao Tome and Principe would involve payments totalling $694,411. If that amount is received during the period from 2002 to 2009, it will reduce the outstanding assessed contributions of Sao Tome and Principe at the end of 2009 to its total assessments during the period from 2008 to 2009 plus $37,105.

Tajikistan

14. In his letter of 15 September 2000 to the President of the General Assembly, the Prime Minister of Tajikistan indicated that his Government had paid $65,250.76 in 2000 and proposed a plan for the phased reduction of its arrears, as follows:

(United States dollars)

	Payment
2000	65 251
2001	67 822
2002	67 822
2003	67 822
2004	67 822
2005	67 822
2006	203 466
2007	203 466
2008	203 467
2009	203 467
2010	203 467

15. If fully implemented, the schedule proposed by the Government of Tajikistan would involve payments totalling $1,421,694. If that amount, which has already been exceeded, had been received during the period from 2000 to 2010, it would have reduced the outstanding assessed contributions of Tajikistan at the end of 2010 to $1,259,375 plus its total assessments during the period from 2008 to 2010.

Other Member States

16. No other Member States have so far submitted payment plans or schedules for the elimination of their arrears.

III. Status of payment plans of Member States as at 31 December 2007

17. The status of implementation of the most recent payment plans submitted by Liberia, Sao Tome and Principe and Tajikistan as at 31 December 2007 is summarized in the table which follows, in United States dollars. The plans proposed by Georgia, Iraq, Moldova and the Niger have been excluded, as those Member States had made the payments envisaged in their payment plans and no longer fell under the provisions of Article 19 of the Charter.

Status of payment plans as at 31 December 2007

(United States dollars)

	Payment plan	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
Liberia				
1999				1 147 524
2000		31 506	70 192	1 108 838
2001		16 166	630	1 124 374
2002		17 137	5 465	1 136 046
2003		17 124	1 636	1 151 534
2004		20 932	2 899	1 169 567
2005		24 264	202	1 193 629
2006	150 000	23 024	100 453	1 116 200
2007		32 074	100 660	1 047 614
Sao Tome and Principe				
1999				570 783
2000		13 543	48	584 278
2001		14 254	157	598 375
2002	27 237	15 723	29 146	584 952
2003	42 237	17 124	929	601 147
2004	59 237	20 932	1 559	620 520
2005	74 237	24 264	202	644 582
2006	89 237	23 024	453	667 153
2007	114 237	32 074	810	698 417
2008	134 237			
2009	153 752			
Tajikistan				
1999				2 436 208
2000	65 251	63 507	205 389	2 294 326
2001	67 822	18 727	296 251	2 046 802
2002	67 822	22 205	306 961	1 765 046
2003	67 822	19 439	296 628	1 487 857
2004	67 822	26 183	400 955	1 113 085
2005	67 822	29 111	65 957	1 076 239
2006	203 466	26 583	107 184	995 638
2007	203 466	39 106	320 500	714 244
2008	203 467			
2009	203 467			
2010	203 467			

18. The Government of Tajikistan has once again significantly exceeded the payments and credits for the period from 2000 to 2007 foreseen in its schedule. Payments and credits totalling $1,999,825 were applied during that period, compared with the anticipated payments totalling $811,293 for those years set out in its schedule. In fact, the payments and credits applied already exceed the total amount foreseen in Tajikistan's schedule. Were the Government of Tajikistan nevertheless to make the payments currently indicated in its schedule for the period from 2008 to 2010 (a total of $610,401), its outstanding assessed contributions at the end of 2010 would amount to $103,843 plus the amount of its assessments during the period from 2008 to 2010.

19. Payments by the Government of Sao Tome and Principe foreseen for the period from 2002 to 2007 in its schedule of payments ($406,422) significantly exceeded the amounts actually received and applied in those years ($33,099). As a result, were the Government of Sao Tome and Principe to make the payments currently indicated in its schedule for the period from 2008-2009 ($287,989), its outstanding assessed contributions at the end of 2009 would amount to its assessments during the period from 2008-2009 plus $410,428.

20. As regards Liberia, outstanding assessed contributions at 31 December 2007 amounted to $1,047,614. Payments in 2006 and 2007 have both fallen short of the revised payment plan submitted in 2006.

IV. Conclusions and recommendations

21. **The General Assembly may wish to take note of the present report and encourage Member States with significant arrears in contributions to consider submitting a multi-year payment plan.**